STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:	Case No. INS-24-0010
AMSHIELD INSURANCE COMPANY, Respondent.	FINAL ORDER TO CEASE AND DESIST AND FINAL ORDER ASSESSING CIVIL PENALTIES, ENTERED BY CONSENT

The Director of the Oregon Department of Consumer and Business Services for the State of Oregon (the "Director"), through the Division of Financial Regulation, investigated the business activities of AmShield Insurance Company ("AmShield" or the "company") and determined that it violated certain provisions of Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748, and 750 and the rules promulgated thereunder (collectively, the "Insurance Code").

AmShield cooperated with the Director's investigation and wishes to settle this matter.

Now, therefore, as evidenced by the signature(s) subscribed in this Order, AmShield hereby CONSENTS to entry of this Order upon the Director's Findings of Fact and Conclusions of Law below.

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. AmShield, a foreign insurer licensed in Oregon since October 2016, provides property and casualty products in the state. Its National Association of Insurance Commissioners Company Code is 15590.

//

2. The company's principal place of business is at 1817 W Broadway, Columbia, Missouri 65218.

3. From January 1, 2021 to July 17, 2023, AmShield received 198 automobile total loss claims in Oregon.

4. In all 198 claims, AmShield did not send claimants the required Oregon total loss notice for cash settlements.

5. In 103 of those claims, the company did not send claimants the required valuation report it used to determine the cash settlement amount.

6. In 196 of those claims, AmShield processed and paid a cash settlement without including in the payment all the applicable taxes and fees incident to the transfer of ownership of a comparable vehicle. Following the Division's inquiry, however, the company reimbursed the claimants those costs plus interest, totaling $19,566.59.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. The Director has jurisdiction over AmShield's business activities under ORS 731.236.

8. By failing to send 198 claimants the required Oregon total loss notice for cash settlements, AmShield violated ORS 742.554(2) and Oregon Administrative Rule ("OAR") 836-080-0240(4).

9. By failing to send 103 claimants the required valuation report it used to determine the cash settlement amount, AmShield violated ORS 742.554(1) and OAR 836-080-0240(3)(a).

10. By failing to include all the applicable taxes and fees in the cash settlement payments for 196 total loss claims, AmShield violated OAR 836-080-0240(3)(b).

//

//

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

11. Because AmShield violated ORS 742.554(1) and (2) and OAR 836-080-0240(3)(a)-(b) and (4), the Director may, under ORS 731.252(1), order the company to cease and desist from violating those statutes and rules.

12. ORS 731.988(1) authorizes the Director to assess against AmShield a civil penalty of up to $10,000 per violation of the Insurance Code.

ORDERS

Now therefore, the Director issues the following Orders:

13. As authorized by ORS 731.252(1), the Director ORDERS AmShield to CEASE AND DESIST from violating ORS 742.554(1) and (2) and OAR 836-080-0240(3)(a)-(b) and (4).

14. As authorized by ORS 731.988(1), the Director ORDERS AmShield to pay $100,000 in CIVIL PENALTIES, allocated as follows:

A. $20,000 for failure to provide claimants with the required Oregon total loss notice, in violation of ORS 742.554(2) and OAR 836-080-0240(4);

B. $30,000 for failure to provide claimants with the required valuation report, in violation of ORS 742.554(1) and OAR 836-080-0240(3)(a); and

C. $50,000 for failing to include all applicable taxes and fees in cash settlement payments for total loss claims, in violation of OAR 836-080-0240(3)(b).

15. The Director SUSPENDS $40,000 of the civil penalties, provided AmShield does not violate ORS 742.554(1) and (2) and OAR 836-080-0240(3)(a)-(b) and (4) or the terms of this Order. If AmShield fails to satisfy these conditions, the suspended civil penalties will become immediately due and owing. Otherwise, the Director will waive the suspended civil penalties three years after the date of this Order.

16. Along with this Order, AmShield shall submit to the Director $60,000 as payment for the non-suspended civil penalties.

//

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

17. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order does not limit or prevent further remedies available to the Director under Oregon law to enforce this Order or take action for violations of this Order or of the Insurance Code not covered by this Order.

SO ORDERED this 21st day of June, 2024.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

[The remainder of this page is intentionally left blank]

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

ENTITY CONSENT TO ENTRY OF ORDER

I, Rockne Corbin, am an officer or manager of AmShield Insurance Company (AmShield or the "company"), and I am authorized to act and sign on its behalf. I have read the foregoing Order, and I know and fully understand the contents hereof. The factual allegations stated herein are true and correct. I have been advised of AmShield's right to a hearing and right to be represented by counsel in this matter. AmShield voluntarily consents to the entry of this Order with no force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. AmShield understands that the Director reserves the right to take further action against the company to enforce this Order or to take appropriate action upon discovery that AmShield has committed other violations of the Insurance Code. AmShield, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

AmShield understands that this Order is a public document.

Signature: */s/ Rockne Corbin*

Position Held: President and CEO

State of Missouri

County of Boone

Signed or attested before me by Rockne Corbin on this 19 day of June, 2024.

/s/ Jayna Sturguess

Notary Public

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387